



DOCKET NOS. QO1901040, QO19060748 & QO17091004

Dear Secretary Camacho-Welch:

Pursuant to the Board’s current filing procedures, herein is the Quarterly Progress Report for the first quarter (“Q1”) of Program Year 2022¹ (“PY22”) of Rockland Electric Company (“RECO” or the “Company”) with respect to its Clean Energy Act of 2018 Energy Efficiency (“EE”) and Peak Demand Reduction (“PDR”) Programs.

Energy Efficiency Program Progress - Executive Summary

Significant effort was spent during Q1 on program administration, outreach and education, and marketing to trade allies and customers in support of program launch. In addition, RECO continued to build its tracking database and internal and external program communications. While the Company did not claim energy savings in Q1, due to the expected lead time associated with ramping up new programs, energy savings will be realized in Q2 as multiple projects have been completed.

Figure 1 shows no energy savings achieved during Q1 or year-to-date (“YTD”), while 6% of the annual budget was spent.

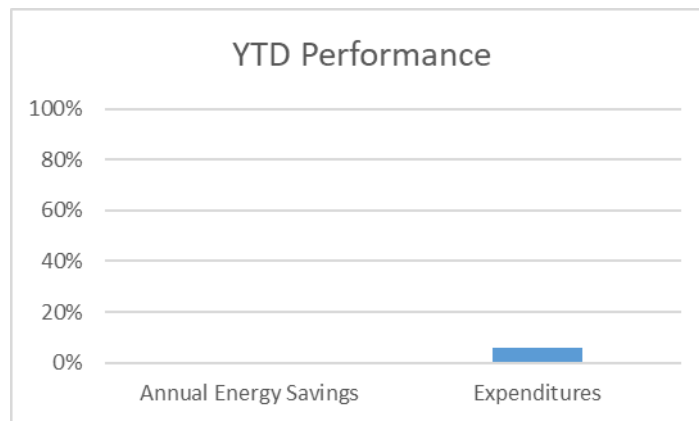


Figure 1: YTD Performance of Annual Energy Savings and Budget

¹ For the purposes of these quarterly reports, the numbering of the quarters align to these dates: **Q1** (7/1/21-9/30/21); **Q2** (10/1/21 - 12/31/21); **Q3** (1/1/22 - 3/31/22); **Q4** (4/1/22 - 6/30/22).

Table 1 – Quarterly Progress Table

	Current Quarter Retail Savings ¹	YTD Retail Savings ²	Current Quarter Wholesale Savings ³	Energy Efficiency Baseline ⁴ (MWh)	YTD Savings as Percent of Baseline	Annual Utility Retail Savings Target (MWh)	Percent of Annual Target Achieved
Annual Energy Savings (MWh)	0	0	0	1,557,016	0	9,007	0%
Lifetime Savings (MWh)	0	0	0				
Annual Demand Savings (MW)	0	0	0				
Low/Moderate-Income Lifetime Savings (MWh) ⁵	0	0	0				
Small Commercial Lifetime Savings (MWh) ⁶	0	0	0				

¹ Calculated savings at the retail (customer meter) level. Savings are estimated from participation counts and TRM calculations, where applicable.

² Encompasses all ex-ante savings for plan year, including prior period adjustments.

³ Wholesale savings at the gross wholesale level include retail savings plus marginal line losses, using approved line loss factor in utility's tariff grossed up by 1.5, per the Avoided Cost Methodology in the NJ Cost Test.

⁴ Calculated as average annual electricity usage in the prior three calendar years per N.J.S.A. 48:3-87.9(a).

⁵ Low/Moderate-Income lifetime savings are the total of Comfort Partners, or any income-qualified Residential or Multi-Family program.

⁶ Small Commercial lifetime savings are Direct Install program savings and those from commercial and industrial ("C&I") small business customers (<200 kW peak demand) in other programs.

Sector-Level Participation, Expenditures, and Annual Energy Savings

In Q1, the Company continued to move forward with the implementation of energy efficiency and peak demand reduction program offerings. Efforts focused on finalizing various contracts with program implementers, completing the build of programmatic features, and ramping up programs. Additionally, the Company has continued to build its trade ally network, conducting outreach and educating contractors on the new utility programs and incentive structures.

Table 2 – Quarterly Sector-Level Participation

Sector ¹	Current Quarter Participants	YTD Participants	Annual Forecasted Participants	Percent of Annual Forecast
Residential	0	0	2,094	0
Multi-Family	0	0	22	0
C&I	0	0	246	0
Reported Totals for Utility Administered Programs	0	0	2,362	0
Comfort Partners ²	0	0	50	0
Pilot Programs	0	0	873	0
Utility Total	0	0	3,285	0

¹ Please note that these numbers are totals across all programs within a sector. The appendix shows the participation numbers for individual programs.

² Comfort Partners, the primary program serving low-income customers, is co-managed by the Division of Clean Energy in conjunction with RECO and the other investor-owned electric and gas utility companies.

Q1 expenditures were attributable to program start up, utility administration, and marketing related expenses.

Table 3 – Quarterly Sector-Level Expenditures

Expenditures ¹	Current Quarter Expenditures	YTD Expenditures	Annual Budget Expenditures	Percent of Annual Budget
Residential	\$203,161	\$203,161	\$1,729,103	12%
Multi-Family	\$6,168	\$6,168	\$329,796	2%
C&I	\$67,520	\$67,520	\$2,153,028	3%
Reported Totals for Utility Administered Programs	\$276,850	\$276,850	\$4,211,927	7%
Comfort Partners	\$0	\$0	\$430,000	0%
Pilot Programs	\$5,437	\$5,437	\$766,056	1%
Utility Total	\$282,287	\$282,287	\$5,407,983	5%

¹ Expenditures include rebates, incentives, and loans, as well as program administration costs allocated across programs.

No savings were realized in Q1.

Table 4 – Quarterly Sector-Level Annual Energy Savings

Annual Energy Savings ¹	Current Quarter Retail (MWh)	YTD Retail (MWh)	Annual Target Retail (MWh)	Percent of Annual Target
Residential	0	0	3,832	0
Multi-Family	0	0	268	0
C&I	0	0	4,907	0
Reported Totals for Utility Administered Programs	0	0	9,007	0
Comfort Partners	0	0	47	0
Pilot Programs ²	0	0	2,169	0
Utility Total	0	0	9,054	0

¹ Annual energy savings represent the total expected annual savings from all energy efficiency measures within each sector.

² Savings are in MMBtu and are not included in the Portfolio MWh Total.

Portfolio Expenditures Breakdown

Portfolio expenditures consist of utility administration and outreach and education to trade allies and customers.

Table 5 – Quarterly costs and budget variances by category¹

Total Utility EE/PDR	Quarter Reported	YTD Reported	Full Year Budget	Percent of Budget Spent
Capital Costs	\$0	\$0	\$0	0%
Utility Administration	\$94,298	\$94,298	\$324,000	29%
Marketing	\$36,264	\$36,264	\$173,930	21%
Outside Services	\$151,725	\$151,725	\$1,337,674	11%
Rebates	\$0	\$0	\$2,535,425	0%
No- or Low-Interest Loans	\$0	\$0	\$354,551	0%
Evaluation, Measurement & Verification (“EM&V”)	\$0	\$0	\$209,209	0%
Inspections & Quality Control	\$0	\$0	\$43,193	0%
Utility Total	\$282,287	\$282,287	\$4,977,983	6%

¹ Categories herein align to RECO's EE plan as approved by the BPU.